This management's discussion and analysis ("MD&A") is provided to enable the reader to assess material changes in financial condition and results of operations of Marapharm Ventures Inc. ("Marapharm" or the "Company") for the year ended March 31, 2016. This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended March 31, 2106 prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of the Company's consolidated financial statements. Additional information relating to the Company is available on SEDAR at www.sedar.com and at www.marapharm.com.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language on page 17. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of August 2, 2016 (the "report date").

BUSINESS OVERVIEW

Marapharm Ventures Inc. (the "Company"), was incorporated under the Business Corporations Act (British Columbia) on April 24, 2007 under the name 0789189 B.C. Ltd. On March 5, 2012, the Company approved a Plan of Arrangement (the "Plan") with its parent company, Whitewater Resources Ltd. and became a reporting issuer. On May 21, 2013, the Company changed its name to Capital Auction Market Inc. On August 1, 2014, the Company changed its name to Marapharm Ventures Inc. The Company reached an agreement on December 10, 2014 to acquire Marapharm Inc., a company that was established to enter the emerging market of marijuana for medical purposes regulations and has its application for a license in with Health Canada. The consolidated financial statements now include the operations of the subsidiaries Marapharm Inc. and Marapharm Las Vegas LLC. The Company's head office is located at Suite 200 – 537 Leon Avenue, Kelowna BC V1Y 2A9. The Company commenced trading of its shares on the Canadian Stock Exchange ("CSE") on May 8, 2015 under the symbol "MDM". The Company also trades on the OTC under ticker symbol "MRPHF" and the Frankfurt Stock Exchange under ticker symbol "2MØ".

Marapharm was formed to create a global entity pursuing commercial ventures in the medical marijuana business.

Kelowna, BC, CANADA

The Company has a rental arrangement for an 11 acre property in Kelowna identified as a potential marijuana growing location in the Company's MMPR License application, which is now in stage 4 of the approval process.

This initial project includes the construction of a brand new facility on 11 acres in British Columbia's Okanagan Valley, with expansion plans in place to meet strategic advantages for growth and market penetration. Marapharm has successfully advanced past level four of the MMPR application to become a licensed producer of marijuana in Canada. Level four, the security clearance is followed by a complete review of the Company's application. Once through the review process the Kelowna project anticipates it will receive a license to build.

Maragold, the all-natural oil product line, has the hemp formulations complete. Due to scheduling and workload, the Company shelved its spring launch of the products and is hoping to begin its first production in late summer or early fall of 2016. Raw materials, bottles, packaging and labels have been sourced and a marketing strategy is in place.

In November 2014, the company acquired exclusive intellectual property and distribution rights to certain hair and skin products from Jason Lorenson for a purchase price of $50,000. To create better synergy with the Marapharm brand it was decided to incorporate hemp oil into the existing product formulas. This process is now complete, a marketing strategy is being developed and the intent is to proceed with production in late summer/ early fall 2016.

Las Vegas, NEVADA. US

In Nevada, the Company has options to purchase a cultivation license and controls a provisional grow licence in Las Vegas, where it is planning to build a medical marijuana facility of up to approximately 70,000 square feet.

On May 11, 2015, the Company, entered into an arms-length agreement to purchase approximately 5.9 acres of land in Apex Business Park in North Las Vegas, Nevada, as well as the rights by assignment, to purchase the equity interests in a Nevada limited liability company to use a provisional license, which is a tenant by lease, to grow medical marijuana (the "Transaction"). The agreement also gives the Company an option to acquire the equity interests in the company which holds the license in tranches which would give the Company an interest of 85% for the first tranche and 15% for the second tranche. On October 10, 2015, the Company completed the land acquisition, and pursuant to the offer, the Company paid US$1,000,000 for the land, the option to purchase a license now associated with the property, a business plan, and proposed facility drawings. Subsequent to March 31, 2016 entered into a negotiation to purchase an additional 1.1 acres for a total of 7 acres.

In addition to this agreement, the Company has entered into a separate opportunity for two further licenses, one for cultivation and the other for processing, bringing the total square footage of all pending licenses to approximately 300,000sq', including a 16,000sq' processing license. The acquisition of the two additional licenses in Nevada is expected to complete within the next few weeks.

The plan is to merge all 3 licenses onto the 7 acre parcel and operate as a campus. The special use permits, allowing all three licenses to operate from that property, have been approved by the City of North Las Vegas. Marapharm will commence the project, with two 5,000 square foot starter buildings. The purpose of the smaller buildings will be to house the three licenses, supply product to the market in the interim, and allow for training of staff. The buildings have been ordered and site work has commenced. Wet utilities into the business park are planned for completion in October 2016 and power will be fully available by January 2017. Since the starter buildings have been designed to be self-sufficient, if utility installation remains incomplete, we will be able to operate at full capacity. On completion of this initial phase, the Company will begin construction of the remaining campus in a phased development. The starter buildings have been approved and have been ordered. Statistics from December 2015, shows only 25 cultivation facilities, 9 dispensaries and 6 production facilities are operational in the whole state of Nevada.

Whatcom County, WASHINGTON. US.

The company has entered into an agreement to act as landlord to Living Green. The transaction is in the final stages and will allow Marapharm a role in the Washington marijuana space.

Marapharm Washington, LLC, a wholly owned subsidiary of the Company, is in the process of closing an asset purchase, lease and purchase option agreement for a 28,000 square foot industrial building located in Whatcom County, Washington. Once the transaction is completed, the Company has invested, and will continue to invest, an additional several hundred thousand dollars into improvements, including adding a second floor for an additional 28,000 square foot (56,000 square feet in total) of space in the building for production, packaging, and equipment. Living Green Inc. holds a cultivation license for up to 30,000 square feet of cultivation and a production license with no footage limitations. Living Green Inc. is the tenant and the lease payment to the Company is proposed to be US$20 per foot or USD$100,000 per month. This will provide them with a fully equipped turn-key facility. Marapharm expects to enter into branding and licensing agreements with Living Green.

HIGHLIGHTS

Highlights of the Company's activities during the year ended March 31, 2016 and up to August 2, 2016:

- On May 11, 2015, the Company announced that it had entered into an agreement to purchase approximately six (6) acres in the Apex Industrial Park, located in North Las Vegas, Nevada. The Company has a provisional grow licence in place and will build a seventy thousand (70,000 sq.) square foot medical marijuana facility.

- On May 11, 2015, the Company entered into a letter of intent (LOI) on the exclusive negotiation rights and the right of first refusal for Medical Marijuana licences and operations in two additional Nevada licences, grow licences in Colorado and Washington State, and a medical dispensary licence in California. The details of the LOI were announced July 27, 2015.

- On September 24, 2015, the Company announced that their application to Health Canada for an MMPR license has progressed to the Security Clearance Process stage. According to the Health Canada website, there are several stages to the application process, the security clearance stage being a significant milestone in that process.

- On September 25, 2015, the Company completed a non-brokered private placement of 1,100,000 units for gross proceeds of $407,000. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.45 per share for a period of six months from the date of issuance. The Company issued 110,000 common shares with a fair value of $37,400 as finders' fees.

- On October 10, 2015, the Company finalized the purchase of the 5.9 acres in the Apex Industrial Park, located in North Las Vegas, Nevada.

- On October 13, 2015 and November 10, 2015, the Company issued a total of 1,351,250 units for gross proceeds of $540,500. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.45 per share for a period of a year from the date of issuance. In connection with this shares issuance, the Company issued 122,625 common shares with a fair value of $49,050 as finders' fees.

- On October 19, 2015 the Company extended the expiry date of 1,657,000 share purchase warrants, exercisable at a price of $0.75 per share before expiry on November 6, 2015, for an additional year to November 6, 2016.

- On November 26, 2015, the Company extended the expiry of 4,940,330 share purchase warrants, exercisable at a price of $0.75 per share before expiry on December 9, 2015, for an additional year to December 9, 2016.

- On December 10, 2015, the Company announced that its shares have commenced trading under the symbol "MRPHF" on the OTCQB ® venture market in the United States. The OTCQB ® venture stage marketplace is for entrepreneurial and development stage US and international companies such as Marapharm. The shares of the Company previously traded on the OTCPink ® open marketplace.

- On January 7, 2016, the Company extended the expiry of 5,059,670 share purchase warrants, exercisable at a price of $0.75 per share before expiry on January 19, 2016, for an additional year to January 19, 2017.

- On February 19, 2016, the Company announced that their application to Health Canada for an MMPR license has progressed to the Review stage. According to the Health Canada website, there are several stages to the application process, the security clearance stage being a significant milestone in that process.

- On March 8, 2016, the Company announced that it had entered into an agreement for the acquisition of two further medical marijuana licenses, one a cultivation license and the other a production license.

- On March 26, 2016 the Company announced that it had extended the March 25, 2016 expiry date of 1,100,000 share purchase warrants, exercisable at a price of $0.37 per share, for an additional year to March 25, 2017.

- On April 14, 2016, the Company issued 2,640,000 units at $0.20 per unit for gross proceeds $528,000. Each unit consists of one common share and one common share purchase warrant. Each whole common share purchase warrant will entitle the holder to acquire one common share at $0.40 until April 14, 2017. In connection with the private placement, the Company issued 89,000 common shares, 264,500 share purchase warrants, and paid $35,000 in cash for share issuance costs. The finders' warrants have the same terms as the share purchase warrants issued for the private placement.

- On May 2, 2016, the Company issued 320,000 common shares pursuant to the amended investor relations agreement originally entered into on May 7, 2015. Refer to Note 13.

- On June 16, 2016 The Company announced changes to corporate management as it transitions from a start up to an operational company. The Company also provided a corporate update to its shareholders.

- On June 16, 2016, the Company issued 2,817,500 units at $0.20 per unit for gross proceeds of $563,500. Each unit consists of one common share and one common share purchase warrant. Each whole common share purchase warrant will entitle the holder to acquire one common share at $0.40 until June 16, 2017. In connection with the private placement, the Company issued 47,500 common shares, 226,000 share purchase warrants, and paid $33,900 in cash for share issuance costs. The finders' warrants have the same terms as the share purchase warrants issued for the private placement.

- Marapharm Washington, LLC, a subsidiary of the Company, is in the process of closing a lease and purchase option agreement for a 28,000 square foot industrial building located in Whatcom County, WA. The Company plans to expand the lease space to include a second floor for an additional 30,000 square feet (60,000 square feet in total) for production and packaging and equipment for the building. Living Green Inc. holds a cultivation license for up to 30,000 square feet and a production license with no footage limitations, and the application for a transfer of the license ownership is in the final stages of transfer. Living Green Inc. is the current lease tenant and the lease payment to the Company is US$20 per foot for USD$100,000 per month, plus quarterly operational and performance fees and capital costs. Payments for a one-year term, with significant increases to be negotiated in accordance with certain minimum requirements set out in the agreements.

- The Company further announces that it has received approval at a public hearing held June 8, 2016, from the City of North Las Vegas to relocate and merge three medical marijuana licenses onto one property, owned by Marapharm Las Vegas LLC, a subsidiary of the Company. Building permits are in place and two starter buildings are approved to house the three licenses. Delivery and construction are projected to commence on July 30, 2016.

- On July 27, 2016. The Company announced that it has been made eligible for book-entry delivery and depository services of The Depository Trust Company (the "DTC") to facilitate electronic settlement and transfer of its common shares on the US stock exchange OTC (otcmarkets.com, symbol MRPHF).

OUTLOOK

The Company believes it is well positioned in Canada and the USA to develop a future in marijuana related industries. Management's business model is to work toward acquiring and purchasing licenses and facilities in strategic locations. Management also remains committed to providing other synergies and products for people to increase their overall quality of life.

The Company is optimistic about its chances to capitalize on opportunities in and profiting from the dynamic nature of the relatively new medical and recreational marijuana industry both in Canada and the United States.

In Canada, Marapharm expects positive changes in the industry as a result of the recent election of the federal Liberal Party. Marapharm has successfully advanced past level four of the MMPR application to become a licensed producer of marijuana in Canada. Level four, the security clearance is followed by a complete review of the Company's application.

SELECTED ANNUAL INFORMATION

The following table sets forth selected audited financial information of the Company from the last three completed financial years ended March 31:

	For the year ended		
	March 31, 2016	**March 31, 2015**	**March 31, 2014**
Total revenue	$ -	$ -	$ -
Net (loss) income for the year	(3,295,344)	(4,630,155)	86,836
Basic (loss) income per common share	(0.09)	(0.17)	0.01
Total assets	$ 1,167,257	$ 1,194,804	$ -
Total non-current financial liabilities	377,363	-	-

The fiscal year includes finance costs of $13,546, impairment of intangible asset of $49,999 due to estimated future cash flows and impairment of land of $725,345 due to a decline in fair value. Otherwise, the Company's expenses include advertising and promotion, consulting fees, general and administrative costs, management fees, professional fees, subcontracting fees, transfer agent fees relating to maintaining its reporting issuer status, rent, travel, and investor relations.

SUMMARY OF QUARTERLY RESULTS

Quarter ended:		**Net Income (loss)**	**Basic and diluted gain (loss) per common share**
		$	$
Q4/16	March 31, 2016	(1,530,785)	(0.04)
Q3/16	December 31, 2015	(235,199)	(0.01)
Q2/16	September 30, 2015	(555,855)	(0.01)
Q1/16	June 30, 2015	(973,505)	(0.03)
Q4/15	March 31, 2015	(4,529,078)	(0.17)
Q3/15	December 31, 2014	(58,680)	(0.00)
Q2/15	September 30, 2014	(32,701)	(0.00)
Q1/15	June 30, 2014	(9,696)	0.00

There were no revenues earned in any of the last eight quarters. The Company is showing trends of expansion and increased activity over the last eight quarters.

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- In Q4/16, the Company incurred finance costs of $13,546, impairment of intangible asset of $49,999 and impairment of land of $725,345.
- In Q3/16, the Company closed its private placement for gross proceeds of $540,500.
- In Q2/16, the Company closed its first private placement for gross proceeds of $407,000.
- In Q1/16, Q2/16, and Q3/16 the Company recorded share based compensation of $757,928, 314,304 and $28,396 respectively where there were no stock options issued in any of the prior quarters.
- In Q3/15, Q4/15, Q1/16, Q2/16, Q3/16 and Q4/16 the Company increased resources devoted to investor relations and recognized expenses as $22,955, $27,114, $158,198, $17,980, $$37,605 and $40,390 respectively.
- In Q4/15, the Company recognized a $4,345,659 impairment of goodwill that was related to the acquisition of Marapharm Inc.
- Starting in Q4/15, the Company increased its human resources and began paying management and consulting fees on a monthly basis.

RESULTS OF OPERATIONS

The Company incurred a net loss of $3,295,344 during the year ended March 31, 2016, a decrease of $1,334,811, as compared to net loss of $4,630,155, for the year ended March 31, 2015.

The key components contributing to the change in the net loss during the year ended March 31, 2016 compared to the year ended March 31, 2015 was comprised of the following:

- Management and directors' fees of $177,000 (2015 – $38,000) and consulting fees of $595,844 (2015 – $51,000) related to additional human resources required as a result of the acquisition of Marapharm Inc., the purchase of land in North Las Vegas, Nevada, and expanded business operations.
- Shareholder information and investor relations expense of $243,323 (2015 – 27,114) related to raising equity financing through the increased market awareness, communication with potential investors, placement of press reports and releases, and communication with the stock brokerage community.
- Rent of $127,485 (2015 - $43,000); the $84,485 increase primarily related to the Kelowna facility and Vancouver office which was not in use during the same period last year.
- Professional fees of $102,696 (2015 - $76,903) related to negotiation of a higher number of agreements during the year ended March 31 2016 and the Company working to become listed on the OTC.
- Finance costs of $13,546 (2015 – $nil) related to a 7% promissory note assigned to the vendor in connection with the land purchase which was a new agreement during the year ended March 31, 2016.
- Share based compensation of $1,100,628 (2015 – $nil) related to the issuance of 3,575,000 stock options during the year ended March 31, 2016, where none were issued in the same period last year.
- Impairment of intangible asset of $49,999 (2015 - $nil) was a result of an impairment over the Company's hemp formula due to a delay in the product launch which resulted in a decline in future estimated cash flows.
- Impairment of land of $725,345 (2015 - $nil) related to a decline in its estimated fair value.
- Gain on settlement of debt of $nil (2015 - $11,998) related to 600,000 shares issued to settle outstanding debt with a former significant shareholder and the former President of the Company.

The Company incurred a net loss of $1,530,785 during the three months ended March 31, 2016, a decrease of $2,998,293, as compared to net loss of $4,529,078, for the three months ended March 31, 2015.

The key components contributing to the change in the net loss during the fourth quarter ended March 31, 2016 compared to the year ended March 31, 2015 was comprised of the following:

- During the three months ended March 31, 2016 there was no impairment of goodwill (2015 - $4,345,659) as there was no transaction similar to the Marapharm Inc. purchase that occurred during the period ended March 31, 2015.
- During the three months ended March 31, 2016 the Company adjusted the fair value of the asset acquisition from October 2015 by recognition of an impairment of $725,345 (2015 – nil).
- During the three months ended March 31, 2016 the Company adjusted the fair value of its intangible asset related to Lorenson's Oil by recognition of an impairment of $49,999 (2015 – nil).
- Project investigation costs of $33,091 (2015 – nil) related to the proposed transaction in the State of Washington. Testing and various other expenses were incurred during the feasibility and negotiation process where no such activity occurred in the same period last year.
- Travel $15,467 (2015 – nil) were higher as a result of increased activity in Washington and Nevada during the three months ended March 31, 2016.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2016 had $534,211 in current assets (March 31, 2015 – $1,155,521) and had working capital of $51,210 (March 31, 2015 – $1,054,094).

The Company raised $1,390,500 through equity financing during the year ended March 31, 2016.

The Company is dependent on raising equity capital to carry on its business operations for the next 12 months. It has $329,547 cash on hand as at March 31, 2016. There is no guarantee that the Company will be able to raise the additional equity capital required to fund its ongoing operations

The Company's liquidity for analysis has increased substantially due to its financing and increased activity from its start of a commercial venture in the medical marijuana business.

The Company signed a one-year investor relations contract on May 7, 2015 with Bayside Management Corp. During the year ended March 31, 2016, the Company signed an amended investor relations contract with the amendment terms on fees and issuance of shares as fees payment. There are no other fixed payment contracts with management, personnel, landlords or any other party and accordingly is capable of operating with very little working capital needs.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. The Company will need to raise additional funds since the current cash position is not sufficient to cover the anticipated operating budget for the next twelve months. Given the continuation of weak investor sentiment and capital market conditions in the mining sector, there exists a material uncertainty as to the Company's ability to raise additional funds on favorable terms in order to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Washington state facility is a proposed transaction. Although the deal is expected to close in the next couple of weeks there are no finalised documents to show it as an asset to Marapharm. This transaction is expected to be reflected in our second quarter financial statements ended September 30, 2016.

The acquisition of the two additional licenses in Nevada is also expected to complete within the next few weeks and is expected to be reflected in our second quarter financial statements ended September 30, 2016.

On May 11, 2015, the Company, purchased approximately 5.9 acres of industrial property in North Las Vegas, Nevada. In May 2016 the Company entered into a negotiation with the land owner to purchase an additional 1.1 acres for US$111,150 to increase total property size to 7 acres. The negotiation for 1.1 acres had not completed as of the date of this MDA.

RELATED PARTY TRANSACTIONS

Related Party Transactions

The Company's related parties as defined by IAS 24, Related Party Disclosures, include the Company's subsidiaries and the following directors, executive officers, key management personnel, and enterprises which are controlled by these individuals, if any:

Related Party	Relationship
Linda Sampson, President, CEO and Director	Director/Management
Corey Klassen, CFO and Director	Director/Management
Yari Nieken, Director and Corporate Secretary	Director/Management
Brian Peterson, Former Director and Secretary	Former Director
Les Kjosness, Former Director, President and CEO	Former Director/Management

The Company considered the executive officers and directors as the key management of the Company.

Total compensation of key company personnel for the year ended March 31, 2016 and 2015 is as follows:

	For the year ended	
	March 31, 2016	March 31, 2015
Directors' fees	$ 12,000	$ -
Management fees, salaries and wages	165,000	38,000
	$ 177,000	$ 38,000

Related party transactions

- As at March 31, 2016, the Company owed $64,078 (2015 - $10,000) to Linda Sampson, the Chief Executive Officer of the Company and its subsidiaries, which is non-interest bearing, unsecured, and due on demand.
- As at March 31, 2016, the Company owed $11,000 (2015 - $nil) to Les Kjosness, the former President of the Company which is non-interest bearing, unsecured, and de on demand. This amount is recorded in accounts payable and accrued liabilities.
- As at March 31, 2016, the Company owed $nil (2015 - $18,750) to Doug Welder, a former significant shareholder of the Company which has been included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest bearing, and due on demand.

- During the year ended March 31, 2016, the Company incurred $120,000 (2015 - $nil) and $nil (2015 - $20,000) to Linda Sampson, the Chief Executive Officer of the Company and President of Marapharm Inc., for management and subcontracting fees, respectively.
- During the year ended March 31, 2016, the Company incurred $45,000 (2015 - $20,000) and $24,000 (2015 - $nil) to Les Kjosness, the former Chief Executive Officer of the Company for management fees and rent, respectively.
- During the year ended March 31, 2016, the Company incurred an expense of $12,000 (2015 - $9,000) to Corey Klassen and Brian Peterson for directors' fees.
- During the year ended March 31, 2016, the Company incurred $nil (2015 - $6,000) to Doug Welder, a former significant shareholder of the Company for management fees.
- During the year ended March 31, 2016, the Company incurred $nil (2015 - $2,000) to Anne O'Fee, the former President of the Company for management fees.
- During the year ended March 31, 2016, the Company issued 2,400,000 (2015 - nil) stock options to directors and officers of the Company with a fair value of $744,877 (2015 – nil).
- During the year ended March 31, 2015, the Company issued 300,000 shares with a fair value of $1 to settle debt owed to Doug Welder, a former significant shareholder of the Company. This transaction resulted in a gain on settlement of debt of $5,999.
- During the year ended March 31, 2015, the Company issued 300,000 shares with a fair value of $1 to settle debt owed to the former President of the Company. This transaction resulted in a gain on settlement of debt of $5,999.

APPROVAL

The Company's Board of Directors has approved the Company's audited consolidated financial statements for the year ended March 31, 2016. The Company's Board of Directors has also approved the disclosures contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of common shares without par value.

At the date of this MD&A, the Company had 43,946,573 (March 31, 2016 - 38,032,573) common shares issued and outstanding. In addition, the Company had 3,575,000 (March 31, 2016 - 3,575,000) stock options outstanding, and 20,056,250 (March 31, 2016 – 14,108,250) warrants outstanding.

SUBSEQUENT EVENTS

On April 1, 2016, the Company acquired the issued and outstanding shares in Marapharm Washington LLC held by the President of the Company for consideration of $10.

On April 14, 2016, the Company issued 2,640,000 units at $0.20 per unit for gross proceeds $528,000. Each unit consists of one common share and one common share purchase warrant. Each whole common share purchase warrant will entitle the holder to acquire one common share at $0.40 until April 14, 2017. In connection with the private placement, the Company issued 89,000 common shares, 264,500 share purchase warrants, and paid $35,000 in cash for share issuance costs. The finders' warrants have the same terms as the share purchase warrants issued for the private placement.

On May 2, 2016, the Company issued 320,000 common shares pursuant to the amended investor relations agreement originally entered into on May 7, 2015.

In May 2016, the Company entered into an agreement to acquire a turn-key facility for the production and processing of recreational marijuana in the State of Washington for US$1,000,782. The acquisition also includes intellectual property consisting of brand names, product branding, product design, marketing contacts and strategies, URLs, and other intellectual property used by the seller.

On June 16, 2016, the Company issued 2,817,500 units at $0.20 per unit for gross proceeds of $563,500. Each unit consisted of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share at $0.40 until June 16, 2017. In connection with this private placement, the Company issued 47,500 common shares, 226,000 share purchase warrants, and paid $33,900 in cash for share issuance costs. The finders' warrants have the same terms as the share purchase warrants issued for the private placement.

COMMITMENTS

On May 7, 2015, the Company entered into a consulting agreement with an investor relations firm with a one-year term and a fee of $35,000 per month payable through issuance of 560,000 common shares. During the year ended March 31, 2016, the Company amended consulting agreement with the investor relations firm. The amendment terms included reducing the fee of $35,000 per month to $10,000 per month from October to December 2015, and to $8,750 per month from January to April 2016, which is payable through issuance of 320,000 shares. These shares were issued on May 2, 2016. During the year ended March 31, 2016, the Company incurred $231,250 in relation to this agreement. During the year ended March 31, 2016, the Company incurred $231,250 in relation to this agreement.

On February 11, 2016, the Company entered into an agreement to acquire no less than 75% of the shares of a company that owns two provisional medical marijuana licenses from and in the State of Nevada for US$600,000. One license is for cultivation and the other license is for processing. US$300,000 is due within one year of closing with 4.5% interest per annum payable monthly. The remaining US$300,000 is payable in common shares to be issued by the Company

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company is accumulated and communicated to management as appropriate to allow timely decision-making regarding required disclosures. The Company's CEO and CFO have concluded that information required to be disclosed in the Company's consolidated financial statements and MD&A (the "filings") have been disclosed and fairly presented in the filings and that processes are in place to provide them with sufficient knowledge to support such representation. However, a control system, no matter how well conceived, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

FINANCIAL AND OTHER INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair values of the Company's amounts receivable, loan receivable, accounts payable and accrued liabilities, loan payable, and amounts due to related parties, approximate their carrying values, which are the amounts recorded on the statement of financial position. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

Credit risk is the risk of an unexpected loss if a customer or third party to financial instruments fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and amounts receivable. The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's amounts receivable consist mainly of GST receivable from the government of Canada. The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk related to its cash and amounts receivable is negligible.

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

The Company maintained adequate cash at March 31, 2016 in the amount of $329,547 in order to meet short-term operating requirements. At March 31, 2016, the Company had accounts payable and accrued liabilities of $402,898. All accounts payable and accrued liabilities are current.

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is held mainly in bank accounts and therefore there is currently minimal interest rate risk. Because of the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of March 31, 2016.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at March 31, 2016, the Company had the following monetary liabilities denominated in foreign currencies:

	US$
Accounts payable and accrued liabilities	4,190
Loan payable	302,909
	307,099

Based on the above net exposures as at March 31, 2016, a 10% change in the US dollar against the Canadian dollar would result in an increase or decrease of approximately $39,900 in the Company's net loss.

The Company manages foreign currency risk by minimizing the value of financial instruments denominated in foreign currencies. The Company has not entered into any foreign currency contracts to mitigate this risk.

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2016, and have not been applied in preparing these financial statements.

- IFRS 9, *Financial Instruments* (New)
- IAS 1, Presentation of Financial Statements (Amended)

- IAS 7, *Statement of Cash Flows* (Amended)
- IAS 12, *Income Taxes* (Amended)

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the consolidated financial statements.
Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

RISKS AND UNCERTAINTIES

The Company is pursuing commercial ventures in the medical marijuana business which encompasses the biotechnology and agricultural industries and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. The Company has no ongoing revenue or income from operations. The Company has limited capital resources and has to rely upon the sale its assets or sale of its common shares for cash required to make new investments and to fund the administration of the Company.

These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial may also adversely impact the Company's business, results of operations, and financial performance. The most significant risks and uncertainties faced by the Company are (in no specific order) are:

Going concern
The Company's capability to continue as a going concern is dependent upon its ability to obtain additional debt or equity financing to meet its obligations as they come due. If the Company were unable to continue as a going concern, then significant adjustments would be required to the carrying value of assets and liabilities, and to the statement of financial position classifications currently used. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise necessary funds to further develop its products.

No commercial products have been developed
We have not completed the development of any commercial products, and accordingly we have not begun to market or generate revenues from sales of the products we are developing.

There can be no assurance that any of our future product candidates will meet applicable regulatory standards, obtain required regulatory approvals, be capable of being produced in commercial quantities at reasonable costs, be successfully marketed or that the investment made in such product candidates will be recouped through sales or related royalties. There can be no assurance that we will ever achieve profitability. As a result, an investment in our common shares involves a high degree of risk and should be considered only by those persons who can afford a total loss of their investment.

Reliance on license
The Company, its subsidiaries, and/or its associate(s) will not be able to legally grow or sell medical marijuana without a license from Health Canada. The licensing requirements mandated by Health Canada are stringent and must be complied with before any license is granted by Health Canada under the Marihuana for Medical Purposes Regulations ("MMPR"), including;

- significant infrastructure requirements of attaining and maintaining a license such as an indoor growing facility with physical barriers, visual monitoring, recording devices, intrusion detection, air filtration systems, as well as other important controls around distribution and access, among others.
- a facility meeting the rigorous licensing requirements of Health Canada must be available for inspection by Health Canada before any license can be granted,
- once a license is issued, the Company must comply with a number of ongoing requirements, including (i) physical security and storage measures, (ii) good production practices, and (iii) proper packaging, labelling and shipping practices.
- in order to obtain and maintain a license, the Company must ensure that it complies with the terms of its other permits and ancillary licenses such as the import or export permit from the Minister of Health, as well as ensuring that all of its management and designated personnel have passed the security clearance provided for under MMPR.

There can be no guarantee that Health Canada will issue, extend or renew the License or, if it is extended or renewed, that it will be extended or renewed on the same or similar terms. Failure to comply with the requirements of the license or any failure to maintain this license would have a material adverse impact on the business, financial condition and operating results of the Company or any company that it may invest in or acquire.

Market acceptance
In terms of the US each state has different regulations and the licenses are subject to the compliance terms of each state.

Competition
The Company plans to compete in an industry in which there are few, but growing number of participants. The Company will have to prove its ability to compete against companies that are further ahead in and could have greater financial, technological, production and marketing resources.

Technology
The Company has proprietary growing techniques and procedures which it expects to use for its growing facilities. There is no certainty that the planned technology will be cost effective and ensure appropriate profit margins.

Our success depends on our ability to protect our trade secrets and proprietary rights in order to operate without infringing the proprietary rights of others in Canada and the United States. We may incur significant expenses or be prevented from developing and/or commercializing products as a result of an intellectual property infringement claim.

Change in laws, regulations, and guidelines
The Company's operations are subject to a variety laws, regulations and guidelines relating to the manufacture, management, transportation, storage, and disposal of medical marijuana and hemp but also including laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Company that it may invest in or acquire.

In addition to the federal rules, the Company, its subsidiaries, and/or its associate(s) will not be able to legally grow or sell medical marijuana without compliance to Municipal or State by-laws, laws and regulations.

Limited operating history
The Company is subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Future financing
The Company will require financing for the building and operation of facilities and business, which are capital intensive. In order to execute on an anticipated growth strategy, the Company will require equity and/or debt financing to support start up and on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed, if ever, or on terms which are acceptable. The Company's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions would limit the Company's plans and would have a material adverse effect start-up and planned operations.

Dilution
To conduct its business, the Company may from time to time require additional funds. The Company may have to issue additional securities including, but not limited to, common shares or some form of convertible security, the effect of which will result in a dilution of the equity interests of any existing shareholders.

Dependence on key personnel
The Company strongly depends on the business and technical expertise of its management and it is unlikely that this dependence will decrease in the near term. Loss of the Company's key personnel could slow the Company's ability to innovate, although the effect on ongoing operations would be manageable as experienced key operations personnel could be put in place. As the Company's operations expand, additional general management resources will be required.

If the Company expands its operations, the ability of the Company to recruit, train, integrate and manage a large number of new employees is uncertain and failure to do so would have a negative impact on the Company's business plans.

There can be no assurance that any one of these risk factors would not impact the Company's ability to fund capital expenditures or acquisitions associated with the medical marijuana industry and may have a material adverse effect on start-up and planned operations.

Risks Inherent in an Emerging Agricultural Business

The Company's business will involve the growing of medical marijuana, an agricultural product. As such, the business is subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although the Company expects that its products will be grown indoors under climate controlled conditions, carefully monitored by trained personnel, there can be no assurance that natural elements will not have a material adverse effect on the production of its products.

Vulnerability to Rising Energy Costs

Medical marijuana growing operations consume considerable energy, making such operations vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of the Company and its ability to operate profitably.

Unfavourable Publicity or Consumer Perception

The Company believes the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical marijuana produced. Consumer perception of marijuana products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical marijuana products. There

can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other

research findings or publicity will be favourable to the medical marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Company's products and the business, results of operations, financial condition and cash flows of the Company. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Company, the demand for medical marijuana products, and the business, results of operations, financial condition and cash flows of the Company. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical marijuana in general, or the Company's products specifically, or associating the consumption of medical marijuana with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Product Liability

As a manufacturer and distributor of products designed to be ingested by humans, the Company will face an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of medical marijuana products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of medical marijuana products alone or in combination with other medications or substances could occur. The Company may be subject to various product liability claims, including, among others, that the Company's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on the Company's results of operations and financial condition. There can be no assurances that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.
The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any medical marijuana products are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Company intends to have detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's products were subject to recall, the image of that brand and the Company could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on Key Inputs

The Company's business will be dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of the Company. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, the Company might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Company in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of the Company.

Dependence on Suppliers and Skilled Labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the final costs of the major equipment contemplated by the Company's capital expenditure program may be significantly greater than anticipated by the Company's management, and may be greater than funds available to the Company, in which circumstance the Company may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the financial results of the Company.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the medical marijuana industry in Canada. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect the Company's ability to continue operating and the market price for the Company's common shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management also ensures that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

The Company's board of directors follow recommended corporate guidelines for public companies to ensure transparency and accountability to shareholders. The board of directors meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The Company's management is responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), the Issuer files the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BC Business Corporations Act ("BCBCA") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of Marapharm are required to act honestly, in good faith, and in the best interest of Marapharm.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Some of the statements contained in this MD&A are forward-looking statements, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur.

Forward-looking statements may be identified by such terms as "believes", "if", "expects", "estimates", "may", "could", "should", "will", "intends" and similar expressions. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Although the Company believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning the Company's expectations for: the Company's current financial resources being sufficient to fund operations; the Company obtaining an MMPR licence; the Company obtaining rights to grow marijuana in the USA and the Company's ability to obtain additional funds through the sale of equity or debt commitments.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors including: changes in general economic conditions and conditions in the financial markets; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the Company's activities; and changing foreign exchange rates and other matters discussed in this MD&A.
This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. Further information regarding these and other factors, which may cause results to differ materially from those projected in forward-looking statements, are included in the filings by the Company with securities regulatory authorities. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

ADDITIONAL INFORMATION

Additional information related to the Company is available for view on the SEDAR website at www.sedar.com. Further information about the Plan of Arrangement can be viewed on www.sedar.com under Whitewater Resources Ltd.'s Information Circular for its meeting held on April 19, 2012.